

OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: New Jersey

LIENS AND ADJUSTMENTS OR RECOVERIES

1. The State uses the following process for determining that an institutionalized individual cannot reasonably be expected to be discharged from the medical institution and return home:
2. The following criteria are used for establishing that a permanently institutionalized individual's son or daughter provided care as specified under regulations at 42 CFR 433.36(f):
3. The State defines the terms below as follows:
 - estate The term "estate" with respect to a deceased individual shall include all real and personal property and other assets included within the individual's estate, as defined in New Jersey statute, as well as any other real and personal property and other assets in which the individual had any legal title or interest at the time of death, to the extent of that interest, including assets conveyed to a survivor, heir or assign of the individual through joint tenancy, tenancy in common, survivorship, life estate, living trust or other arrangement.
 - individual's home
 - equity interest in the home
 - residing in the home for at least one or two years on a continuous basis, and
 - lawfully residing.

TN 95-43 Approval Date FEB 12 1996

Supersedes TN 95-22 Effective Date APR 01 1996

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4. The State defines undue hardship as follows:

Please see Addendum to attachment 4.17-A, number 4.

5. The following standards and procedures are used by the State for waiving estate recoveries when recovery would cause an undue hardship, and when recovery is not cost-effective:

Please see Addendum to Attachment 4.17-A, number 5.

6. The State defines cost-effective as follows (include methodology/thresholds used to determine cost-effectiveness):

The amount to be recovered is in excess of \$500.00; and the gross estate is in excess of \$3000. In the case of an individual who became deceased on or after April 1, 1995, cost-effectiveness shall be found to exist when the expense of the process of collection of the Division's claim does not exceed the amount likely to be collected. The term "expense" shall include but not necessarily be limited to: Division staff salary and benefits; salary and benefits of any ancillary staff, to include the Department of Law and Public Safety, County Welfare Agencies, etc.; indirect costs, including overhead; the costs of anticipated legal, quasi-legal, or administrative proceedings; and any other incurred or anticipated costs that the Division, in its sole discretion, determines are likely to be incurred.

7. The State uses the following collection procedures (include specific elements contained in the advance notice requirement, the method for applying for a waiver, hearing and appeals procedures, and time frames involved):

Please see Addendum to Attachment 4.17-A, number 5.

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